

This Listing Statement is compiled by the Exchange from documents filed by the Company in making application for listing. It is issued for the information of members, member firms and member corporations of the Exchange. It is not and is not to be construed as a prospectus. The Exchange has received no consideration in connection with the issue of this Listing Statement other than the customary listing fee. The documents referred to above are open for inspection at the general office of the Exchange.

LISTING STATEMENT No. 2418

LISTED DECEMBER 16, 1969
10,000,000 shares without par value
Stock Symbol "SYO"
Post Section 1.2
Dial Quotation No. 2339

TORONTO STOCK EXCHANGE

LISTING STATEMENT

SYRACUSE OILS LIMITED

Province of Alberta, Certificate of Amalgamation dated January 6, 1967

1. Address of the Company's Head Office and of any other offices:
635 Bentall Building, Calgary 2, Alberta; 9 Upper Grosvenor Street, London W. 1, England; and Metal Industries House, 84 Marshall Street, Johannesburg, South Africa.
2. Officers of the Company:

Office Held	Name	Address	Occupation
President	J. Richard Harris	635 Bentall Building, Calgary	General Manager
Vice-President	Arthur Pollard	Les Marronniers, Grouville, Jersey, Channel Islands	Refinery Construction Engineer
Secretary-Treasurer	James S. Palmer	1050 Guinness House, Calgary, Alberta	Solicitor
3. Directors of the Company:

Name	Address	Occupation
J. Richard Harris	635 Bentall Building, Calgary, Alberta	General Manager
James S. Palmer	1050 Guinness House, Calgary, Alberta	Solicitor
Thatcher L. Townsend, Jr.	Wachovia Bank and Trust Company, N.A. Winston-Salem, North Carolina	Vice-President
Angus A. Mackenzie	The White House, London Road, Sunningdale, Berkshire, England	Executive
Arthur Pollard	Les Marronniers, Grouville, Jersey, Channel Islands, England	Refinery Construction Engineer
Geoffrey Kohn	Henley-in-Arden, Park Chase, Warwickshire, England	Stockbroker
4. Names and addresses of all transfer agents:
Guaranty Trust Company of Canada at its transfer offices in the cities of Toronto, Calgary, and Vancouver is transfer agent for the shares of the Company.
5. Particulars of any fee charged upon transfer other than customary government taxes:
Transfer fee of \$.60 payable by transferee.
6. Names and addresses of all registrars:
Guaranty Trust Company of Canada at its transfer offices in the cities of Toronto, Calgary, and Vancouver is the registrar for the shares of the Company.
7. Amount of authorized capital: \$10,000,000.00.
8. Number of shares and par value: 10,000,000 shares without nominal or par value.

9. Full details of all shares issued in payment for properties or for any other assets other than cash:

At the time of the amalgamation the shareholders of Sage Oil Company Limited received one share of the amalgamated company for each share held by the shareholder, and the shareholders of Syracuse Oils Limited received 222,125 shares of the amalgamated company for each share held by such shareholder. At the date of the amalgamation Sage Oil Company Limited had 4,490,686 common shares issued, and Syracuse Oils Limited had 3 shares issued. Syracuse Oils at that time also held 224,000 shares of Sage Oil which were cancelled. The result was that upon completion of the amalgamation the amalgamated company had issued and outstanding 5,157,061 shares. Immediately upon completion of the amalgamation the company purchased certain gross overriding royalties from Letsan Oils Limited for \$105,790.00 which was satisfied by the issue and allotment of 211,580 shares to Letsan Oils, which resulted in there then being issued and outstanding 5,368,641 shares.

10. Full details of all shares sold for cash.	<table><tr><th>Date</th><th>Number of Shares</th><th>Price per Share</th><th>Amount realized by Company</th></tr><tr><td>1967</td><td>20,000</td><td>\$0.75</td><td>\$ 15,000.00</td></tr><tr><td>1968</td><td>40,000</td><td>1.00</td><td>40,000.00</td></tr><tr><td>1968</td><td>20,000</td><td>.75</td><td>15,000.00</td></tr><tr><td>1969</td><td>20,000</td><td>.75</td><td>15,000.00</td></tr><tr><td>1969</td><td>40,000</td><td>1.00</td><td>40,000.00</td></tr><tr><td>1969</td><td>128,928</td><td>5.50</td><td>709,104.00</td></tr><tr><td>Total</td><td>268,928</td><td></td><td>\$834,104.00</td></tr><tr><td>Subsequent to listing Application.</td><td>1969</td><td>19,646</td><td>\$5.50</td><td>\$108,053.00</td></tr></table>	Date	Number of Shares	Price per Share	Amount realized by Company	1967	20,000	\$0.75	\$ 15,000.00	1968	40,000	1.00	40,000.00	1968	20,000	.75	15,000.00	1969	20,000	.75	15,000.00	1969	40,000	1.00	40,000.00	1969	128,928	5.50	709,104.00	Total	268,928		\$834,104.00	Subsequent to listing Application.	1969	19,646	\$5.50	\$108,053.00
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1967	20,000	\$0.75	\$ 15,000.00																																			
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Total	268,928		\$834,104.00																																			
Subsequent to listing Application.	1969	19,646	\$5.50	\$108,053.00																																		
11. Total number of shares issued.	5,664,986 as at October 15, 1969. Additional 19,646 shares issued in 1969 subsequent to listing application.																																					
12. Number of shares now in treasury or otherwise unissued.	4,335,014 as at October 15, 1969. Subsequent to listing application number of treasury shares reduced to 4,315,368.																																					
13. Particulars of any issued shares held in trust for the Company or donated for treasury purposes.	No issued shares of the Company are held in trust for the Company or donated for treasury purposes.																																					
14. Date of last annual meeting.	November 13, 1969.																																					
15. Date of last report to shareholders.	Annual Report May 31, 1969. First Quarter Interim Report August 31, 1969.																																					
16. Details of any treasury shares (or shares issued subject to payment or shares held for the benefit of the treasury) now under option or the subject of any underwriting or sales agreement. If none, this to be stated.	<p>By agreement dated July 28, 1969, Jenney Manufacturing Company purchased 109,282 shares at \$5.50 and was granted an option to purchase 81,961 shares at \$8.50 per share until Sept. 22, 1974. By agreement dated July 28, 1969, South East Asia Syndicate purchased 19,646 shares at \$5.50 and was granted an option to purchase 14,734 shares at \$8.50 per share until Sept. 22, 1974. By resolution of the Directors dated Nov. 1, 1966, the company granted an option to purchase 100,000 shares at \$0.75 per share to an officer, and by resolution dated Feb. 17, 1967, options to purchase a total of 200,000 shares at \$1.00 per share were granted to two directors. All such options are for a term of 5 years and may be exercised as to 1/5 thereof in each year commencing at the date of the resolution. The balance of the options remaining outstanding are as follows:</p> <p>40,000 shares at \$0.75 a share until November 1, 1971 120,000 shares at \$1.00 a share until November 2, 1972</p> <p>Subsequent to listing application Wachovia International Investment Corporation purchased 19,646 shares at \$5.50 and was granted an option to purchase 14,735 shares at \$8.50 per share.</p>																																					
17. Names and addresses of persons having any interest, direct or indirect, in underwritten or optioned shares or other securities or assignments, present or proposed.	<p>J. Richard Harris, 635 Bentall Building, Calgary, Alberta, 40,000 shares.</p> <p>Arthur Pollard, Les Marronniers, Grouville, Jersey, Channel Islands, 60,000 shares.</p> <p>Geoffrey Kohn, Henley-in-Arden, Park Chase, Warwickshire, England, 60,000 shares.</p> <p>Jenney Manufacturing Company, Box 100, Chestnut Hill, Massachusetts 02167, U.S.A., 81,961 shares.</p> <p>South East Asia Syndicate, Box 100, Chestnut Hill, Massachusetts 02167, U.S.A., 14,735 shares.</p> <p>Wachovia International Investment Corporation, P.O. Box 3099, Winston-Salem, North Carolina 27102, U.S.A., 14,735 shares.</p>																																					
18. Details of any payments in cash or securities of the Company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	No payments in cash or securities of the Company are to be made to any promoter or finder in connection with any underwriting or property acquisition. The sum of \$50,000 was paid to Suche Investments Ltd. as a finder with respect to the Debenture issue of \$1,750,000.00 referred to in paragraph 25 hereof.																																					
19. Details of any shares pooled, deposited in escrow, non-transferable or held under any voting trust agreement, syndicate agreement or control.	No shares of the Company are pooled, deposited in escrow, non-transferable, or held under any voting trust agreement or control.																																					

20. Names and addresses of owners of more than a 5% interest in pooled or escrowed shares and their shareholdings. (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	See No. 19 above.																		
21. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	London Nominees Union Bank of Scotland Ltd., 110 St. Vincent St., Glasgow C.2, Scotland 1,232,024 Richardson Securities of Canada, 173 Portage Avenue East, Winnipeg 2, Manitoba 433,147 Angus A. Mackenzie, The White House, London Road, Sunningdale, Berkshire, England 243,900 Medwin & Lowry, 4 Copthall Court, London E.C. 2, England 197,045 James S. Palmer, 1050 Guinness House, Calgary, Alberta 140,171 Beneficial Owners—Angus A. Mackenzie —James S. Palmer as to 112,350																		
22. Names and addresses of persons whose shareholdings are large enough to materially affect control of the Company.	To the knowledge of the Company there are no persons whose shareholdings are large enough to materially affect control of the Company.																		
23. Details of any registration with or approval or authority for sale granted by or any filing with a Securities Commission or corresponding Government body.	Since the date of amalgamation there has been no registration with the Alberta Securities Commission. All shares and debentures issued since that time have been accepted by the Alberta Securities Commission as exempt from registration pursuant to the provisions of Section 19(3) of the Alberta Securities Act 1967.																		
24. Has any application for registration with or approval or authority for sale by or any filing with a Securities Commission or corresponding Government body ever been refused, cancelled, suspended or revoked? If so, give particulars.	No.																		
25. Particulars of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	\$1,244,000 of Convertible Subordinated Debentures due January 15, 1989, outstanding at October 31, 1969. Convertible to January 15, 1971 — \$1.75 per share January 15, 1976 — \$2.50 per share January 15, 1981 — \$5.00 per share Bank indebtedness—\$466,800.00 at October 31, 1969.																		
26. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<table><thead><tr><th>Name of Company</th><th>Interest</th><th>Book Value</th></tr></thead><tbody><tr><td>Syracuse Oils Norge A/S</td><td>15%</td><td>\$150,000.00</td></tr><tr><td>Woodford Oil and Gas Ltd.</td><td>8.8%</td><td>20,000.00</td></tr><tr><td>Walvis Bay Oil and Gas Ltd.</td><td>8.8%</td><td>1.00</td></tr><tr><td>Oceanica Petroli Italiana Spa</td><td>10%</td><td>1.00</td></tr><tr><td>H.M. Pan Ocean Syracuse Oil South Africa (Proprietary) Limited</td><td>17%</td><td>1.00</td></tr></tbody></table> <p>All of these companies are private companies whose only assets are prospective oil and gas properties on which there is not yet any production and the present value is not easily ascertainable.</p>	Name of Company	Interest	Book Value	Syracuse Oils Norge A/S	15%	\$150,000.00	Woodford Oil and Gas Ltd.	8.8%	20,000.00	Walvis Bay Oil and Gas Ltd.	8.8%	1.00	Oceanica Petroli Italiana Spa	10%	1.00	H.M. Pan Ocean Syracuse Oil South Africa (Proprietary) Limited	17%	1.00
Name of Company	Interest	Book Value																	
Syracuse Oils Norge A/S	15%	\$150,000.00																	
Woodford Oil and Gas Ltd.	8.8%	20,000.00																	
Walvis Bay Oil and Gas Ltd.	8.8%	1.00																	
Oceanica Petroli Italiana Spa	10%	1.00																	
H.M. Pan Ocean Syracuse Oil South Africa (Proprietary) Limited	17%	1.00																	
27. Enumerate fully each of the following property classifications, giving claim or property numbers, approximate acreage, townships and mining camp or oil field: (a) Properties owned where titles vested in Company. (b) Properties leased. (c) Properties otherwise held. Give particulars of title held by the Company in each instance, (e.g. patented, unpatented, Crown granted, held under mining license, perpetual lease, etc.)	See Schedule "A" attached.																		
28. Full particulars of any royalties or other charges payable upon production from each individual property.	See Schedule "B" attached.																		
29. Names and addresses of vendors of any property or other assets intended to be purchased by the Company showing the consideration to be paid.	Nil.																		

30. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Nil.																		
31. Are any lawsuits pending or in process against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so explain fully.	There are no material lawsuits pending or in process against the Company or any of its properties.																		
32. Describe plant and equipment on property or properties.	Oil wellhead including pumpjack, rods, motors, bottom hole pumps and other related equipment, plus battery facilities. Gas wellhead equipment.																		
33. Describe all development accomplished and planned.	The program of Syracuse Oils Limited has been to explore for and develop oil and gas reserves and to acquire potential oil and gas land. This has resulted in the Company now owning an interest in about 90 oil and gas wells located in Alberta and a spread of exploratory acreage located in Saskatchewan, Alberta, the Northwest Territories, the Arctic Islands, Foxe Basin, Hudson Bay, the Gulf of St. Lawrence, the Grand Banks, Italy, Norway, Netherlands, South Africa, South West Africa, the Maldive Islands, and Indonesia. The future program of Syracuse will be a continuation of these objectives with emphasis on the development of proven oil and gas reserves.																		
34. Date and author of mining or petroleum engineer's or geologist's report filed with this application and available for inspection on request.	January 3, 1969 — McDaniel Consultants (1965) Ltd.																		
35. Full particulars of production to date.	<table><tr><td></td><td>1969</td><td>1968</td><td>1967</td><td>1966</td><td>1965</td></tr><tr><td>Oil sales, net after royalty (bbls.)</td><td>53,169</td><td>55,651</td><td>63,684</td><td>74,138</td><td>77,037</td></tr><tr><td>Gas sales, net after royalty (mcf)</td><td>3,995,564</td><td>866,805</td><td>398,571</td><td>500,269</td><td>313,763</td></tr></table>		1969	1968	1967	1966	1965	Oil sales, net after royalty (bbls.)	53,169	55,651	63,684	74,138	77,037	Gas sales, net after royalty (mcf)	3,995,564	866,805	398,571	500,269	313,763
	1969	1968	1967	1966	1965														
Oil sales, net after royalty (bbls.)	53,169	55,651	63,684	74,138	77,037														
Gas sales, net after royalty (mcf)	3,995,564	866,805	398,571	500,269	313,763														
36. Have any dividends been paid? If so, give date, per share rate, and amount paid in dollars on each distribution.	The Company has not paid any dividends.																		
37. Name and address of the solicitor or attorney whose certificate that the applicant is a valid and subsisting company and that the shares which have been allotted and issued were legally created and are fully paid and non-assessable has been filed with the Exchange.	Burnet, Duckworth, Palmer, Tomblin, O'Donoghue, Beattie & Haigh, 1050 Guinness House, Calgary 2, Alberta.																		
38. (a) Have any shares of the Company ever been listed on any other stock exchange? If so, give particulars. (b) Is any application for listing the shares of the Company on any other stock exchange now pending or contemplated? If so, give particulars. (c) Has any application for listing of any shares of the Company ever been refused or deferred by any stock exchange? If so, give particulars.	<p>The Company's shares are presently listed on The Calgary Stock Exchange, The Vancouver Stock Exchange, and The Stock Exchange, London, England (Section 163(I)(E)).</p> <p>No.</p> <p>No.</p>																		
39. Particulars of the principal business in which each officer and director has been engaged during the past five years, giving the length of time, position held and name of employing company or firm.	See Schedule "C" attached.																		

40. The dates of and parties to and the general nature of every material contract entered into by the Company which is still in effect and is not disclosed in the foregoing. Except for management contracts, do not include particulars of any contract entered into in the ordinary course of business carried on or intended to be carried on by the Company.	Except for contracts entered into by the Company in the ordinary course of business, the only material contract still in effect is the Option Agreement referred to in item No. 16 and an employment contract entered into between the Company and J. Richard Harris dated May 1, 1968, for the employment of Mr. Harris by the Company for a term of 5 years at a remuneration of \$25,000 per year.
41. Any other material facts not disclosed in the foregoing.	Nil.

42. STATEMENT SHOWING DISTRIBUTION OF ISSUED CAPITAL
as of October 15, 1969

FREE STOCK	Shares	Shares
(a) Distributed and in the hands of the public (exclusive of the promoters, officers and directors of the Company and their agents or trustees)	5,008,926	
(b) Distributed and in the hands of the promoters, officers and directors of the Company and their agents or trustees	656,060	
Total free stock		5,664,986
ESCROWED OR POOLED STOCK		
(c) Held in escrow or pool as set out in Item 19 of this application		Nil
Total issued capital		5,664,986

RECORD OF SHAREHOLDERS

Number of registered shareholders holding shares in class (a) above	1,863
Number of registered shareholders holding shares in class (b) above	7
Number of registered shareholders holding shares in class (c) above	Nil

43. STATEMENT SHOWING NUMBER OF SHAREHOLDERS
as of October 15, 1969

Number	Shares
133 Holders of 1 — 99 shares	5,795
1,087 " " 100 — 499 "	183,329
218 " " 500 — 999 "	125,493
197 " " 1,000 — 1,999 "	227,780
54 " " 2,000 — 2,999 "	115,362
31 " " 3,000 — 3,999 "	101,967
15 " " 4,000 — 4,999 "	66,085
135 " " 5,000 — up "	4,839,175
1,870 Stockholders	Total Shares 5,664,986

Dated at Calgary, Alberta, the 4th day of November, 1969.

SYRACUSE OILS LIMITED

“J. RICHARD HARRIS”,
President



“JAMES S. PALMER”,
Secretary

SCHEDULE "A"

SYRACUSE OILS LIMITED
LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST							
Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum & Natural Gas Reservations & Permits, Acres
480				100	480		
80				98	78		
240				50	120		
40				100	40		
80				100	80		
120				50	60		
640				25	160		
160				100	160		
240				42	101		
	640			10		64	
	640			10		64	
	640			5		32	
40				100	40		
40				100	40		
640				20	128		
640				20	128		
320				100	320		
320				100	320		
160				100	160		
160				100	160		
160				100	160		
160				100	160		

ALBERTA

Leduc

N.1½ & SW.¼ Sec. 21, Twp. 49, Rge. 25 W 4M
Lsds. 1 & 2, Sec. 23, Twp. 49, Rge. 26 W 4M
SW¼ & Lsds. 9 & 15, Sec. 31, Twp. 49, Rge. 26 W 4M
Lsd. 4, Sec. 2, Twp. 50, Rge. 26 W 4M
Lsds. 3 & 4, Sec. 3, Twp. 50, Rge. 26 W 4M
Lsds. 6, 11 & 14, Sec. 1, Twp. 50, Rge. 27 W 4M
Sec. 12, Twp. 50, Rge. 27 W 4M (Cardium Only)
NE¼, Sec. 13, Twp. 50, Rge. 27 W 4M
Lsds. 5 & 6 and NW¼, Sec. 13, Twp. 50, Rge. 27 W 4M
Sec. 25, Twp. 50, Rge. 1 W 5M
Sec. 26, Twp. 50, Rge. 1 W 5M
Sec. 33, Twp. 50, Rge. 1 W 5M

Acheson

Lsd. 7, Sec. 1, Twp. 52, Rge. 26 W 4M
Lsd. 12, Sec. 14, Twp. 52, Rge. 26 W 4M

Garrington

E.½, Sec. 3 and Sec. 9, Twp. 32, Rge. 2 W 5M
W.½, Sec. 10 and Sec. 11, Twp. 32, Rge. 2 W 5M

Reno Springburn

S.½, Sec. 3, Twp. 81, Rge. 17 W 5M
N.½, Sec. 34, Twp. 80, Rge. 17 W 5M
NW¼, Sec. 30, Twp. 80, Rge. 16 W 5M
SW¼, Sec. 31, Twp. 80, Rge. 16 W 5M
NE¼, Sec. 25, Twp. 80, Rge. 17 W 5M
SE¼, Sec. 36, Twp. 80, Rge. 17 W 5M

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LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST							
Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum & Natural Gas Reservations & Permits, Acres
Clive NW.¼, Sec. 3, Twp. 40, Rge. 24 W 4M NW.¼, Sec. 5, Twp. 41, Rge. 24 W 4M SW.¼, Sec. 8, Twp. 41, Rge. 24 W 4M N.½ and SE. ¼ Sec. 13, Twp. 41, Rge. 25 W 4M	160			30	48		
	160			37.5	60		
	160			18.75	30		
	480			25	120		
Hamilton Lake N.½ and SE.¼ Sec. 15, Twp. 35, Rge. 9 W 4M Sec. 11, Twp. 35, Rge. 9 W 4M N.½, Sec. 9, SW.¼, Sec. 15, N.½ and SW.¼, Sec. 16, Twp. 35, Rge. 9 W 4M	480			75	360		
	640			75	480		
	960			75	720		
Tweedie All Secs. 25 and 26 and E.½ Sec. 36, Twp. 67 Rge. 13 W 4M E.½ Sec. 1 W.½ Sec. 3, All Sec. 9 and W.½ Sec. 10 E.½, Sec. 12, All Secs. 13, 14, 15, 16, 24, 25, 28, 29, 30, 31, 32, S.½ and NE.¼, Sec. 33, SW. ¼, Sec. 36 all in Twp. 68, Rge. 13 W 4M NE.¼, Sec. 19 and NW.¼, Sec. 20 in Twp. 68, Rge. 13 W 4M All Secs. 23, 24, 26 and 35 in Twp. 68 Rge. 14 W 4M All Secs. 3, 4, 5, 6, 10 W.½ Sec. 15, All Sec. 31, 32, 33 in Twp. 69 Rge. 13 W 4M All Secs. 7, 8, 9, 16, 17, 18, 19, 20, 21, 28, 29 and 30 in Twp. 68, Rge. 13 W 4M All Secs. 1, 12, 13, 23, 24, 25, 26 and 36 in Twp. 69, Rge. 14 W 4M All Secs. 1 to 36 inclusive in Twp. 70, Rge. 13 W 4M	320			100	320	1,600	
				100		9,600	
				100		2,560	
				100		4,800	
				25		7,680	
				100		5,120	
Wandering River All Secs. 1 to 25 inclusive, all Secs. 27 to 36 inclusive in Twp. 71, Rge. 14 W 4M All Sec. 26, Twp. 71 Rge. 14 W 4M			23,040	25			5,760
			22,400 640	25 50			5,600 320

SCHEDULE "A"

SYRACUSE OILS LIMITED
LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST							
Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum & Natural Gas Reservations & Permits, Acres
	5,456			100		5,456	
	1,280			100		1,280	
	1,280			100		1,280	
168	6,664			100		6,664	
169				100	168		
160				100	169		
				100	160		
				50	15,360		7,680
				50	8,320		4,160
				50	3,840		1,920
5,920				50			
3,520				50			
2,662				50			
12,480				50			

Lac La Biche

All Sec. 19, NE.¼ 24, All Sec. 25, NE.¼, Sec. 26, All Sec. 29, 30, 31, 32, NW.¼ Sec. 33, NE.½ Sec. 34, All Secs. 35 and 36 in Twp. 66, Rge. 13 W 4M
All Secs. 24 and 25 Twp. 66, Rge. 14 W 4M

All Secs. 6 and 7, Twp. 67, Rge. 12 W 4M

All Secs. 1 to 4 inclusive, All Secs. 9, 10, 11, 12, SW.¼ 13, All Secs. 14, 15 and portions of Secs. 5, 8 and 16 outside of River Lots in Twp. 67, Rge. 13 W 4M

All River Lot #68 in Twp. 67, Rge. 13 W 4M

All River Lot #71 in Twp. 67, Rge. 13 W 4M

SE.¼, Sec. 21, Twp. 67, Rge. 13 W 4M

Lyle Lake

All Secs. 1 to 4 inclusive, 9 to 16 inclusive, 21 to 28 inclusive, 33 to 36 inclusive in Twp. 72, Rge. 17 W 4M.

Craigend

All Secs. 13, 14, 15, 16, 22, 23, 24, 25, 26, 27, 34, 35, 36 in Twp. 62, Rge. 12 W 4M

All Sec. 1, 2, 3, 10, 11, 12 in Twp. 63, Rge. 24 W 4M

S.½ Sec. 17, All Sec. 18, E.½ Sec. 19, N.½ and SE.¼ 20, All Secs. 21, 29, 30, 31, N.½ and SE.¼ 32, S.½ and NE.¼ Sec. 33 in Twp. 62, Rge. 13 W 4M

All Secs. 13, 24, 25, NE.¼ 26, Lsds. 12, 13, 14, 15 and 16 of Sec. 34, All Secs. 35 and 36, Twp. 62, Rge. 13 W 4M

All that portion of Whitefish Indian Reserve lying North of Sec. 11 in Twp. 62, Rge. 13 W 4M

All Secs. 4, 5, 6, 7, 8, 9, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 S.½ Sec. 26, W.½ 29, All 30, 31 and W.½ Sec. 32 in Twp. 63, Rge. 12 W 4M

SCHEDULE "A"

SYRACUSE OILS LIMITED
LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST									
	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Mineral Titles, Acres
Craigend (Cont'd)									
All Sec. 29, Twp. 63, Rge. 12 W 4M	640				50	320			
All Sec. 27, E.½ 29, E.½ 32, All Secs. 33 and 34 in Twp. 63, Rge. 12 W 4M	2,560				25	640			
All Secs. 1, 2, 3, 4, 10, 11, 12, 13, 14, 23, 24, 25 and 36 in Twp. 63, Rge. 13 W 4M	8,320				50	4,160			
All Secs. 17, 18, 19 W.½ Sec. 20, All Secs. 30, 31 in Twp. 61, Rge. 12 W 4M. All Secs. 1 and 12 in Twp. 62, Rge. 13 W 4M	4,780				50	2,390			
N.½ and SW.¼ Sec. 26, NW.¼ Sec. 36, Twp. 64, Rge. 14 W 4M	640				100	640			
Rich Lake									
All Sec. 8 Twp. 64, Rge. 11 W 4M	640				100	640			
Corbetts									
All Sec. 1, 11 and 12 Twp. 63, Rge. 10 W 4M	1,920				50	960			
All Secs. 16, 17, 18, 19 and 20, Twp. 63, Rge. 10 W 4M	3,200				50	1,600			
All Secs. 5 to 8 inclusive, Secs. 17 to 20 inclusive, Secs. 29 to 32 inclusive in Twp. 63, Rge. 9 W 4M				7,680	50			3,840	
S.½ and NE.¼ Sec. 33, S.½ Sec. 34, S.½ and NE.¼ Sec. 35 and all Sec. 36, Twp. 62, Rge. 10 W 4M				1,920	50			960	
All Secs. 2 to 10 inclusive, Secs. 13, 14, 15, Secs. 22 to 27 inclusive, Secs. 34, 35, 36, Twp. 63, Rge. 10 W 4M				13,440	50			6,720	
Ashmont									
Secs. 1, 2, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, S.½ and NE.¼ Sec. 17, Secs. 21, 22, 23 and 24 in Twp. 60, Rge. 11 W 4M		10,720			50		5,360		
Sec. 3, Twp. 60, Rge. 11 W 4M		640			100		640		
Sec. 25, S.½ and NE.¼ Sec. 26, Twp. 60, Rge. 11 W 4M	1,120				100	1,120			
Secs. 23 and 27, Twp. 59, Rge. 11 W 4M	1,280				100	1,280			
N.½ Sec. 25, Twp. 59, Rge. 12 W 4M	320				100	320			

SCHEDULE "A"

SYRACUSE OILS LIMITED
LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST							
Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum & Natural Gas Reservations & Permits, Acres
11,680				12.5	1,460		
640				12.5	80		
1,920				12.5	240		
3,200				12.5	400		
14,080				12.5	1,760		
1,280				6.25	80		
1,280				6.25	80		
1,600				100	1,600		
640				6.25	40		
160				6.25	10		
	5,760			50		2,880	
2,080				50	1,040		
1,280				40	512		
1,280				40	512		
1,920				40	768		

Winnifred

Secs. 5, 6, 7, 16, 17, 18, 19, 20, 25, NE.¼ 26, Secs. 27, 28, 29, 30, 32, 33, 34, 35 and 36, Twp. 11, Rge. 10 W 4M

Sec. 36, Twp. 11, Rge. 9 W 4M

Secs. 1, 2 and 24 Twp. 11, Rge. 11 W 4M

Secs. 6, 7, 19, 30 and 32, Twp. 12, Rge. 9 W 4M

Secs. 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 28, Twp. 12, Rge. 10 W 4M

Secs. 6 and 7, Twp. 12, Rge. 10 W 4M

Secs. 1 and 12, Twp. 12, Rge. 11 W 4M

Taber

All Secs. 11, 12 and S.½ of Sec. 14, Twp. 9, Rge. 16 W 4M

Lomond

All Sec. 35, Twp. 14, Rge. 20 W 4M

NW.¼ Sec. 36, Twp. 14, Rge. 20 W 4M

Charlotte Lake

Secs. 22, 23, 24, 25, 26, 27, 28, 33 and 34 (Colony zone only) in Twp. 60, Rge. 4 W 4M

N.½ and SW.¼ Sec. 27, All Sec. 28, S.½ and NE.¼

Sec. 33, S.½ and NW.¼ Sec. 24 in Twp. 60, Rge. 6 W 4M

Newbrook

All Secs. 34 and 36, Twp. 62, Rge. 21 W 4M

All Secs. 28 and 33, Twp. 62, Rge. 22 W 4M

All Secs. 2, 3 and 11 Twp. 63, Rge. 21 W 4M

SYRACUSE OILS LIMITED
LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST									
	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Mineral Titles, Acres
Senex									
All Secs. 6, 7, 8, 20, 21, 22, 27, 28, 29, 32, 33 and 34 in Twp. 86, Rge. 3 W 5M	7,680				56.25	4,320			
All Secs. 14, 15, 17, 18, 19, 20, 22, 23, 27, 29, 30 and S.½ Sec. 34, Twp. 88, Rge. 3 W 5M	7,360				68.125	5,014			
All Secs. 5, 6, 7, 8, 17, 18, 21, 22, 26, 27, 28, 33, 34, 35 in Twp. 89, Rge. 3 W 5M	8,960				68.125	6,104			
All Secs. 1, 12, S.½ of Sec. 13, All Secs. 25, 35 and 36 in Twp. 89, Rge. 4 W 5M	3,520				68.125	2,398			
All Secs. 16, 17, 18, 19, 20 and 21, Twp. 90, Rge. 3 W 5M	3,840				34.0625	1,308			
NW.¼ Sec. 7, Twp. 90, Rge. 3 W 5M	160				68.125	109			
All Secs. 1, 2, 4, 5, 6, 7, 8, 9, S.½ Sec. 11, S.½ Sec. 12. All Secs. 16, 17, 18, 27, 28, 29, 32, 33 and SW.¼ Sec. 34, Twp. 90, Rge. 4 W 5M	11,040				68.125	7,521			
N.½ and SE.¼ Sec. 24, All Secs. 25, 26, 27, 34, 35 and 36 Twp. 90, Rge. 5 W 5M	4,320				68.125	2,943			
Rainbow									
NE.¼ Sec. 26 and S.½ Sec. 35, Twp. 106, Rge. 11 W 6M	480				25	120			
NE.¼ Sec. 35 Twp. 106 Rge. 11 W 6M	160				50	80			
Virgo									
NE.¼ Sec. 27 and E.½ Sec. 34, Twp. 115, Rge. 7 W 6M	480				10	48			
Normandville									
W.½ Sec. 19, Twp. 79, Rge. 22 W 5M	320				25	80			
All Sec. 1, Twp. 79, Rge. 23 W 5M	640				75	480			
E.½ Sec. 13, Twp. 79, Rge. 23 W 5M	320				25	80			
S.½ Sec. 4, S.½ Sec. 5, S.½ and NW.¼ Sec. 6, W.½ Sec. 7, W.½ Sec. 18, W.½ and NE.¼ Sec. 19, N.½				7,200	25			1,800	

SCHEDULE "A"

SYRACUSE OILS LIMITED
LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST								
Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum Natural Gas Reservations & Permits, Acres	Mineral Titles, Acres
			800	25			200	
4,800				50	2,400			
			139,990	30			41,997	
1,920				100	1,920			
640				10	64			
1,600				10	160			
1,280				37.5	480			
7,520				37.5	2,820			
2,240				37.5	840			
9,920				37.5	3,720			
3,840				12.5	480			
1,920				37.5	720			

Normandville (Cont'd)

Sec. 20, N.1/2 Sec. 21, All Sec. 22, N.1/2 Sec. 23, All Secs. 26, 27, S.1/2 Sec. 28, S.1/2 Sec. 29, S.1/2 and NW.1/4 Sec. 30, All Sec. 34 and S.1/2 Sec. 35 Twp. 79, Rge. 23 W 4M
S.1/2 and NE.1/4 Sec. 1, E.1/2 Sec. 12, Twp. 79, Rge. 24 W 5M
N.1/2 Sec. 4, N.1/2 Sec. 5, NE.1/4 Sec. 6, E.1/2 Sec. 6, E.1/2 Sec. 7, All Secs. 8, 9, 16, 17, E.1/2 Sec. 18, SE.1/4 Sec. 19, S.1/2 Sec. 20, S.1/2 Sec. 21, Twp. 79, Rge. 23 W 5M

Sherman Flats

P&NG Reservations #1290, 1342 and 1344 in Twps. 59, 61 and 62 Rges. 10, 11, 12, 13 and 14 W 6M

Fort Vermillion

All Secs. 8, 16, 17 Twp. 109, Rge. 12 W 5M

South Sturgeon Lake

N.1/2 Sec. 34, N.1/2 Sec. 35, Twp. 67, Rge. 22 W 5M
S.1/2 Sec. 3, NW.1/4 Sec. 4, NE.1/4 Sec. 5, NW.1/4 Sec. 9, S.1/2 Sec. 14, NW.1/4 Sec. 16, W.1/2 Sec. 22 all in Twp. 68, Rge. 22 W 5M

Calling Lake S.

All Secs. 6 and 7, Twp. 65, Rge. 20 W4
All Secs. 4, 5, 6, 7, 8, 9, N.1/2 and SW.1/4 14, All Secs. 15, 22, 23, 26 and 27, Twp. 65, Rge. 21 W 4M
All Secs. 6, 31 and 32 and N.1/2 of Sec. 34, Twp. 66, Rge. 20 W 4M
All Secs. 1, 2, W.1/2 Sec. 4, All Secs. 5, 6, 7, 11, 12, 13, 14, 21, 22, 27, 28, 33 and 34 Twp. 66, Rge. 21 W 4M
All Secs. 27, 28, 29, 32, 33, 34, Twp. 66, Rge. 23 W 4M
All Secs. 20, 28, 29, Twp. 67, Rge. 19 W 4M



SYRACUSE OILS LIMITED

annual report 1969

Annual Meeting

The Annual General Meeting of the Company will be held on November 13, 1969 at Winchester House, London Wall, London, England at 12:00 o'clock noon. The notice of meeting, proxy and information circular are enclosed.

Painting of the Orient Explorer, an offshore rig, drilling on a Syracuse concession in the North Sea off the coast of Holland.
Artist: Boyd Speer

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SYRACUSE OILS LIMITED

annual report 1969

HIGHLIGHTS

FINANCIAL

	1969	1968	% Change
Gross income after royalty	\$ 598,557	277,045	+ 116
Cash flow	\$ 158,151	35,221	+ 349
Net profit (loss)	\$ 30,116	(16,475)	—
Working capital (deficit)	\$ 306,792	(448,168)	—

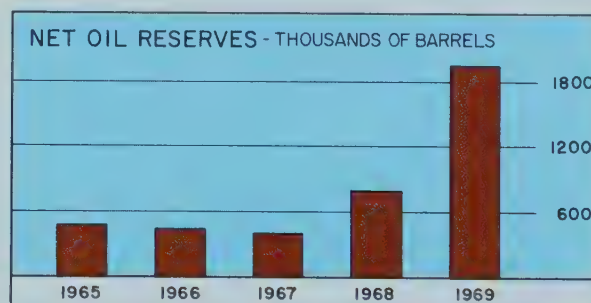
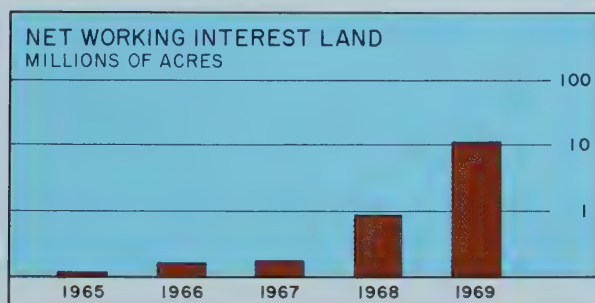
OPERATING

Gas production net after royalty (Mcf/day)	10,947	2,375	+ 361
Oil production, net after royalty (bbls/day)	146	152	— 4
Gas reserves, net after royalty (MMcf)	59,500	48,900	+ 22
Oil reserves, net after royalty (bbls)	1,934,000	777,800	+ 150
*Gross working interest land (acres)	66,324,678	7,855,042	+ 744
*Net working interest land (acres)	10,217,206	917,031	+1014

EXPLORATION

Drilling and land acquisition expenditures	\$ 716,466	544,658	+ 32
Gross wells drilled	23	19	+ 21
Gross oil and gas wells completed	13	9	+ 44
Net wells drilled	9.63	11.12	— 13
Net oil and gas wells completed	6.31	7.43	— 15

* Includes Company's interest in acreage owned by affiliated companies.



SYRACUSE OILS LIMITED and Subsidiary Companies

DIRECTORS

Gerald Gaetz
Business Executive, Vancouver, British Columbia
J. Richard Harris
President, Calgary, Alberta
Geoffrey Kohn
Financier, Birmingham, England
Angus A. Mackenzie
Oil Executive, Sunningdale, Berks., England
James S. Palmer
Barrister and Solicitor, Calgary, Alberta
Arthur Pollard
Refinery and Pipeline Executive,
Les Marronniers, Jersey, C.I.
Thatcher L. Townsend, Jr.
Banker, Winston-Salem, North Carolina

WHOLLY-OWNED COMPANIES

Vanlorne Oils Limited
Mystery Oil Limited
Dundee Oils Ltd.
Northern Alberta Pipelines Limited

AFFILIATED COMPANIES

Syracuse Oils Norge A/S (25%)
Woodford Oil & Gas Ltd. (9%)
Walvis Bay Oil and Gas Ltd. (9%)
H.M. Pan Ocean-Syracuse Oil South Africa
(Proprietary) Limited (17%)
Oceanica Petroli Italiana S.p.A. (10%)

HEAD OFFICE

635 Bentall Building
Calgary 2, Alberta
Telephone 403/264-1195
Cable "Syracuse"
Telex 038-24692

OFFICERS AND KEY PERSONNEL

J. Richard Harris, B.Sc., M.A., P.Geol.
President and General Manager
Arthur Pollard
Vice-President
James S. Palmer, B.A., LL.B.
Secretary and Treasurer
C. Rod De Luca, B.Sc., M.B.A.
Manager of Operations
William R. Keir, B.Sc., P.Eng.
Chief Engineer
Ed Miller, B.Sc., P.Geol.
Chief Geologist (Domestic)
Fred J. Wellhauser, B.Sc., M.Sc.
Chief Geologist (International)

REGISTRARS AND TRANSFER AGENTS

Guaranty Trust Company of Canada, Calgary,
Vancouver
Josolyne, Miles & Cassleton Elliott,
London, England

AUDITORS

Campbell, Sharp, Nash & Field, Calgary

SOLICITORS

Burnet, Duckworth, Palmer, Tomblin,
O'Donoghue, Beattie & Haigh, Calgary

BANKERS

The Royal Bank of Canada, Calgary

CONSULTANTS

McDaniel Consultants (1965) Ltd., Calgary

STOCK EXCHANGES

Vancouver, British Columbia
Calgary, Alberta
London, England [Section 163 (I)E]

DIRECTORS' REPORT TO THE SHAREHOLDERS

The past year has been one of excellent progress in most areas of the Company's operations.

Gross income after royalties increased from \$277,000 to \$599,000. This was due mainly to a gain of about \$275,000 in gas production revenue from the Lac La Biche field in Alberta. Cash flow increased from \$35,000 to \$158,000. Earnings were \$30,000 compared to a loss last year of \$16,000.

In January, the Company's financial position was strengthened by the sale of \$1,750,000 in 7½% subordinated convertible debentures. These debentures were privately placed with a number of leading Canadian and American financial institutions. As a result of this debenture issue, and the increased cash flow, the working capital position at year-end improved by \$755,000.

The principal change in the Company's affairs during the year was its establishment as an important land holder with interests in petroleum areas throughout the world. Land holdings increased to about 66 million gross acres, equivalent to more than 10 million net acres. Principal acquisitions included holdings in the Adriatic Sea, the Maldive Islands, South and South West Africa, the Canadian Arctic, and the East Coast of Canada. Following the close of the fiscal year, the Company acquired a 12.5 percent interest in about 28,000,000 acres off-shore Indonesia not included in the year-end totals. The approximate location of these holdings is shown on the world map on the next page and further details are given in the body of this Report. During the coming year emphasis will be placed on exploring these lands in combination with partners and in acquiring further lands in other prospective geological basins. In conjunction with land acquisition last year, an active exploration and development program was undertaken. Twenty-three gross wells were drilled of which 13, all in Alberta, were completed as oil or gas wells. The most significant were gas wells at Calling Lake and Craigend and oil wells in the Hamilton Lake and Clive areas. In South Africa drilling continues on the concession near Port Elizabeth. In the Dutch North Sea, a well is being drilled by Shell-Esso on 40,000 acres in which Syracuse has a 6.5 percent interest. This well, which is free of cost to the Company, encountered a potentially productive gas zone at about 7,500 feet. The rig is currently drilling ahead to the projected total depth of about 10,500 feet.

Over the past year there has been a broader public following of the Company's affairs and there are now more than twice as many shareholders. For this reason, formal application will shortly be made to the Toronto Stock Exchange for a listing of Syracuse common shares. Toronto is the largest stock exchange in Canada.

The Company's rapid growth has brought administrative expansion. Four additional professional staff appointments have been made, including that of a petroleum geologist for the Company's recently opened Johannesburg office. In Calgary, the Company's head office recently moved to larger quarters.

It is a pleasure for the Board of Directors to express their appreciation to the employees for their enthusiastic work during the year.

ON BEHALF OF THE BOARD OF DIRECTORS,

October 17, 1969



President

MAP OF WORLD LAND HOLDINGS



g Interest Acres	
s	Net
150	3,515
000	1,280,000
064	5,876
585	69,171
240	516,768
300	6,491,200
000	223,040
560	22,701
578*	10,217,206*



REVIEW OF OPERATIONS

PRODUCTION AND SALES

OIL PROPERTIES

Net oil sales for 1969 after deduction of royalties were 146 barrels per day compared to 152 barrels per day the previous year. This small decrease resulted mainly from the Company's program of the last 18 months of abandoning oil leases which have been operating at marginal profits. The addition of new oil reserves discovered in late 1968 and early 1969 began to contribute to the Company's production runs during the fourth quarter of the 1969 fiscal year, when net oil production after royalties reached an average of 183 barrels per day.

At Hamilton Lake the Company continued its secondary oil recovery program. This program was approved by the Alberta Oil and Gas Conservation Board on October 9, 1968, and water injection began shortly thereafter. Five oil wells have now been completed on the property and an additional eight are planned.

In total, the Company owns an average 57 percent working interest in 39 oil wells, which

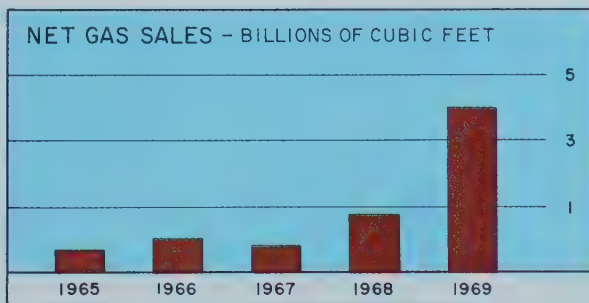
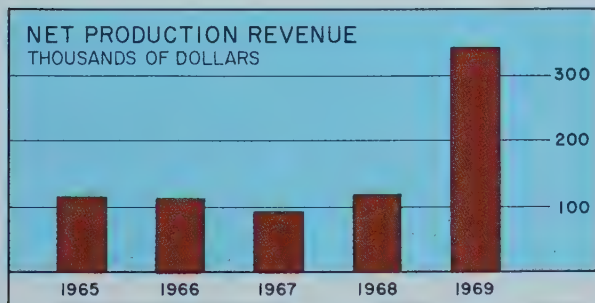
is equivalent to a 100 percent working interest in about 22 oil wells.

GAS PROPERTIES

Net gas sales after royalties continued to increase in 1969 and reached a record of 10,947 Mcf/day compared to 2,375 Mcf/day in 1968.

This increase in gas production reflects the substantial volumes of gas being delivered from the Company's reserves in the Lac La Biche and Ashmont areas of Alberta. The Lac La Biche field has been on stream since March 1968 and has performed as predicted by the Company's engineers. The Ashmont field, which was first connected in December 1968, produced very well during the 1968-69 winter heating season and should continue to add to the Company's gas production revenue.

In total, the Company owns an average 58 percent working interest in 46 gas wells, which is equivalent to a 100 percent working interest in about 27 gas wells.



Bantu roughnecks changing the bit on the H. M. Mining/Soekor Alixandria AL 1/69.



EXPLORATION AND DEVELOPMENT

During the 1969 fiscal year the Company participated in an extensive exploration and development drilling program. Twenty-three wells were drilled, in which the Company owned an average 42 percent interest. Of the 23 wells, 4 were completed as oil wells and 9 as gas wells. Wells were drilled in the Normandville, Rainbow, Senex Creek, Calling Lake, Clive, Lac La Biche, Craigend and Hamilton Lake areas of Alberta, the Verlo area of Saskatchewan, the Virden area of Manitoba, and in South Africa. The most valuable of the reserves established by this program were the gas reserves proven in the Calling Lake and Craigend areas, and the oil reserves developed in the Hamilton Lake and Clive areas. During fiscal 1970 the Company will probably drill additional wells in some of these areas.

In fiscal 1969 the Company completed all of its marine seismic programs in the North Sea off both Holland and Norway. The first exploratory wells in these areas were spudded shortly after the close of the fiscal year. The first well offshore Norway was abandoned without a commercial show of oil or gas on August 19, 1969.

The Company's first well in the Dutch North Sea was spudded on June 29, 1969. N.V. Nederlandse Aardolie Maatschappij (NAM), a joint Dutch company owned by Shell and Esso, are paying the entire cost of drilling this first well to earn a 51 percent interest in the 40,000 acres contained in Block Q-11. The well is being drilled in about 55 feet of water with the jack-up rig "Orient Explorer" at a location about 22 miles west of Amsterdam and about the same distance

southwest of Bergen, a large gas field onshore Holland. The Company, in accordance with the farmout agreement, has been reimbursed its pre-drilling expenses and will own a 6.5 percent interest free of cost in this first well and a 6.5 percent joint-account working interest in the remaining portion of the 40,000 acres contained in Block Q-11. NAM announced on July 30th that indications of natural gas in the NAM-Syracuse Q/11-1 had been encountered at about 7,500 feet. NAM have indicated that they will run intermediate casing through the potentially productive zone and will drill the well to its projected total depth of about 10,500 feet prior to conducting further tests of the shallower zone to see if the gas is present in commercial quantities.

During the fourth quarter of the 1969 fiscal year, the Company commenced its marine seismic program on Block IV(b) on Liberia's Continental Shelf. The results of this program should be known within a few weeks.

In the Atmore area of Alberta two development gas wells were completed on lands in which the Company holds a 1.0 percent royalty. The operator of these wells is reported to be negotiating for the sale of the gas. Six exploratory wells were drilled on the Company's royalty holdings in Alberta. No commercial quantities of oil or gas were reported to have been discovered by these wells, which were drilled at no cost to the Company.

The major discoveries on the North Slope of Alaska and the extensive exploratory program



underway in the Canadian Arctic have again turned the oil and gas industry's attention to the northern regions of Alberta where a widespread winter drilling program is expected. The Company believes that several of its royalty blocks may be included in these programs.

Work continued on the Company's mineral properties. Under the terms of an option-to-purchase agreement, a \$15,000 program was con-

ducted by another company on Syracuse's 98 uranium claims in the Beaverlodge area of North Saskatchewan. After completing the work the other company did not exercise the option, which has now expired. Further assessment work was done on the Hottah Lake uranium shows and on the Bode Lake claims in the Northwest Territories. Neither of these properties indicated commercial quantities of ore and have been dropped.

LAND HOLDINGS

WORKING INTEREST HOLDINGS

The Company continued its policy of acquiring interests in prospective oil and gas lands in geological basins around the world. At the close of the 1969 fiscal year the Company owned an average 15 percent working interest in 66,324,678 acres equivalent to a 100 percent working interest in 10,217,206 acres. This compares to an average 12 percent working interest in 7,855,042 acres equivalent to a 100 percent working interest in 917,031 acres last year. These totals include the Company's interests in acreage

owned by affiliates, and represent an increase of over ten times the number of net acres held by the Company one year earlier.

The principal increases arose from the acquisition of interests in lands located both on and offshore South Africa, offshore South West Africa, in the Italian sector of the Adriatic Sea, and an interest in a permit covering the Republic of the Maldiv Islands offshore from the southwestern coast of India. Additionally, the Company acquired a 50 percent interest in about





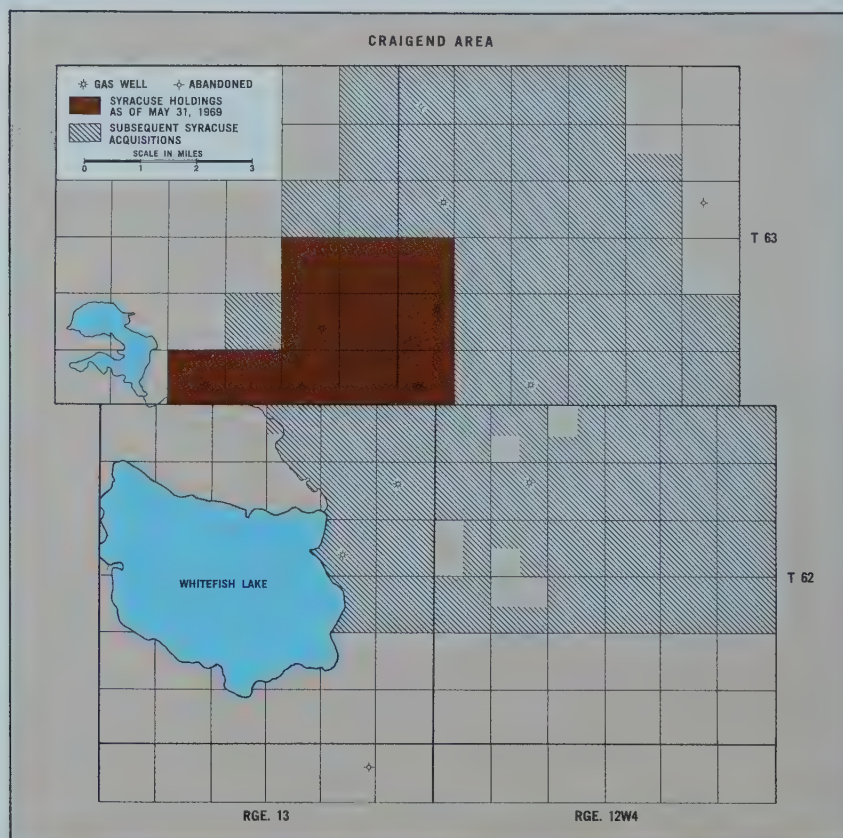


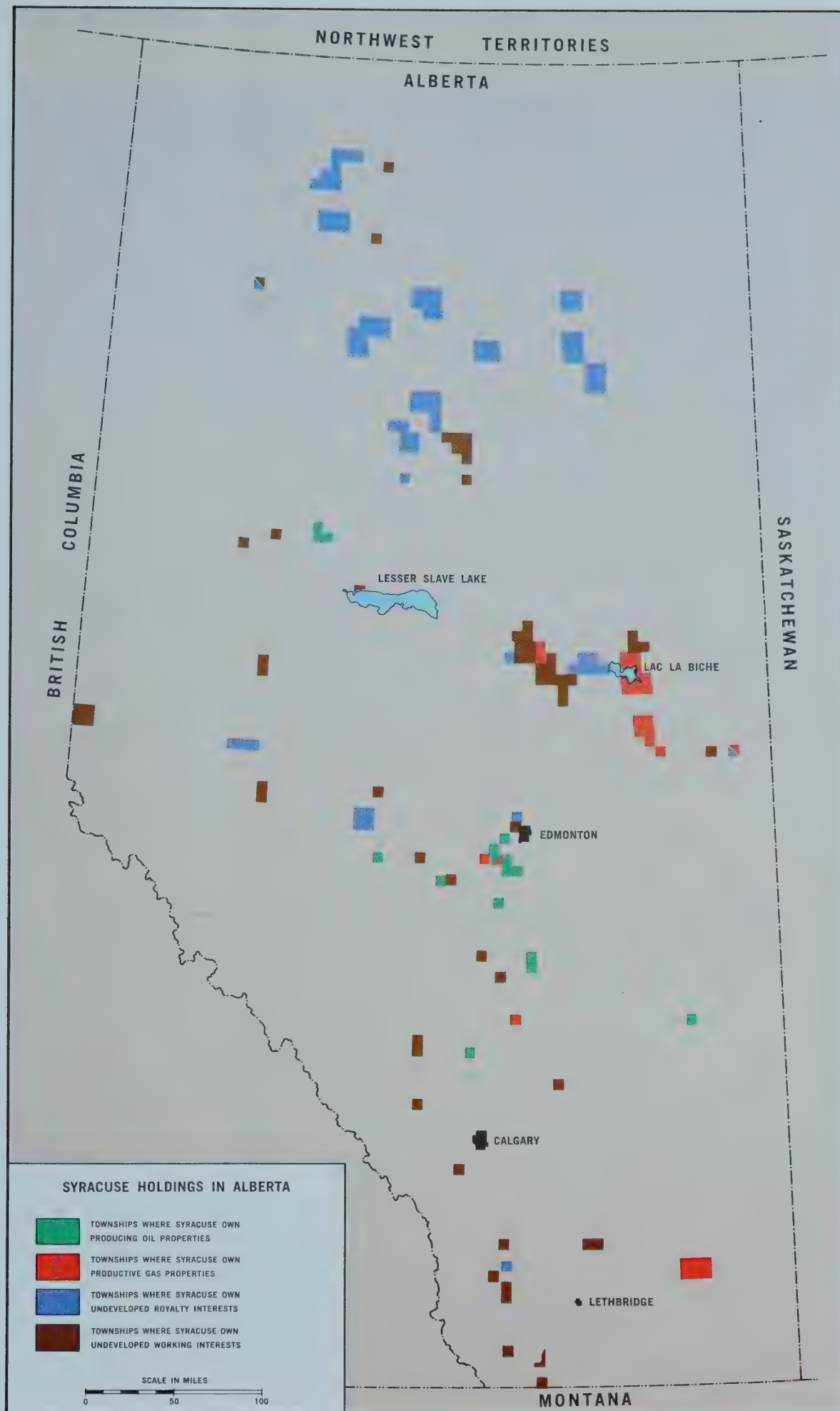
8,000 acres in the Craigend area of Alberta. More details of the Company's exploratory acreage are shown on the world map opposite Page 4.

An important addition to the land inventory occurred shortly after the close of the fiscal year when the Company announced the acquisition of a 12½ percent interest in 28,000,-000 acres offshore from the Republic of Indonesia. Exploration of this Indonesian acreage will commence in October 1969.

ROYALTY INTEREST HOLDINGS

At the close of the 1969 fiscal year the Company owned an average gross overriding royalty of about 1.58 percent in 1,365,547 acres compared to an average gross overriding royalty of about 1.58 percent in 1,415,467 acres in 1968. Most of these valuable royalty holdings are in acreage located in northern Alberta where the Company anticipates another active winter drilling program. These royalties provide the Company with exposure to the discovery of oil and gas reserves at no cost to itself.



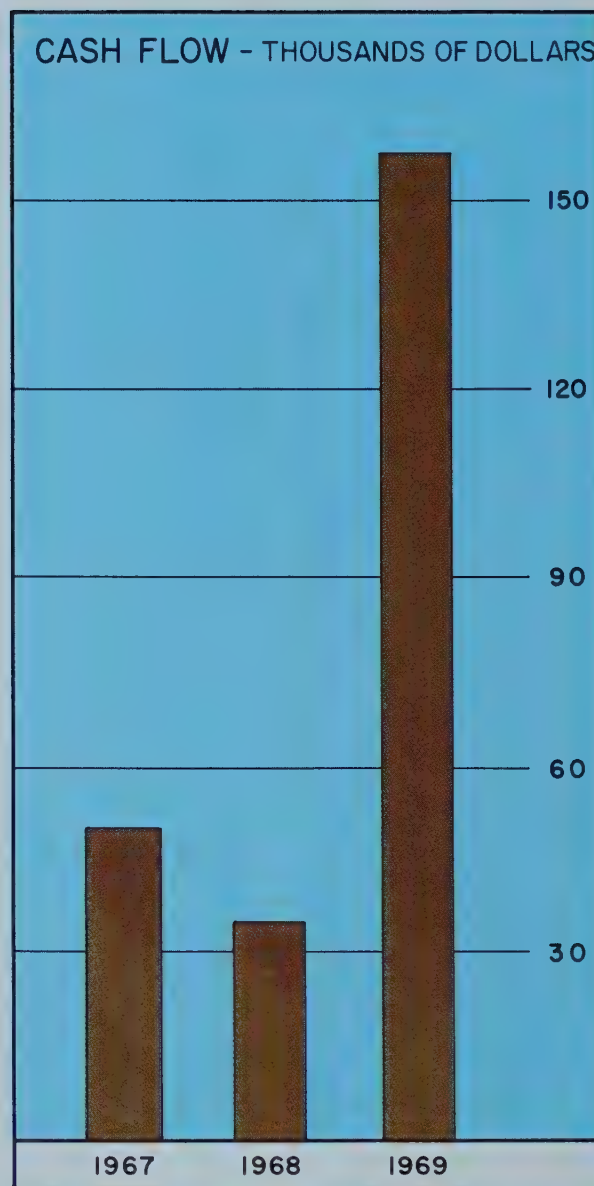


FINANCIAL REVIEW

The Company's gross income after paying all royalties increased to \$598,557 compared to \$277,045 in 1968. This increase is primarily due to a gain of \$285,736 in operating revenue from sales of gas. Cash flow increased to \$158,151 from \$35,221 in 1968 and depreciation and amortization increased by \$76,339 as a result of increased investment and production. Net income was \$30,116 compared to a loss of \$16,475 in 1968. These net income and cash flow figures are lower than those reported in the unaudited results given in the May 31, 1969 Interim Report mainly due to the accrual in the audited accounts of debenture interest previously written off in the first quarter of the 1970 fiscal year.

An important corporate development occurred on January 24, 1969 with the formal closing of a private sale of \$1,750,000 7½% 20-year subordinated convertible debentures. These debentures were placed with an investment group led by Wachovia International Investment Corporation, a wholly-owned subsidiary of Wachovia Bank and Trust Company, N.A. of Winston-Salem, North Carolina. The funds derived from these debentures, which were placed with leading Canadian and American financial institutions, have been used to retire short-term bank indebtedness and to provide working capital. As a result of this financing and the improved cash flow, working capital at year-end increased to \$306,792.

It is worth noting that the Balance Sheet does not reveal the current value of the Company's producing leases or its undeveloped properties. These items are carried at cost or book value and bear little relation to fair market value which substantially exceeds book value.



Drilling near Port Elizabeth, South Africa.



CONSOLIDATED BALANCE SHEET May 31st, 1969 (with 1968 figures for comparison)

ASSETS		1969	1968
CURRENT ASSETS:			
Cash in Banks		\$ 240,027	\$ —
Accounts Receivable		336,510	262,271
Performance Deposits		134,420	21,011
Inventory of Oil and Supplies valued at the lower of cost or replacement cost		48,476	57,538
Prepaid and Deferred Charges		12,133	21,120
		<u>771,566</u>	<u>361,940</u>
INVESTMENTS IN OTHER COMPANIES (Note 1) . . .		<u>286,697</u>	<u>265,000</u>
FIXED ASSETS:			
Real Estate, Machinery and Equipment, at cost		1,152,890	1,024,083
Less Accumulated Depreciation (Note 2)		423,158	350,769
		<u>729,732</u>	<u>673,314</u>
INVESTMENTS IN PETROLEUM AND OTHER PROPERTIES, at cost (Note 3)		<u>3,323,280</u>	<u>2,606,813</u>
Less Accumulated Amortization (Note 4)		204,846	149,196
		<u>3,118,434</u>	<u>2,457,617</u>
UNAMORTIZED DEBENTURE COSTS (Note 5) . . .		<u>63,293</u>	<u>—</u>
		<u><u>\$4,969,722</u></u>	<u><u>\$3,757,871</u></u>

Approved on behalf of the Board:

J. RICHARD HARRIS, Director

JAMES S. PALMER, Director

AUDITORS' REPORT

To the Shareholders of
Syracuse Oils Limited

We have examined the consolidated balance sheet of Syracuse Oils Limited and its subsidiary companies as at May 31st, 1969 and the consolidated statements of income, retained earnings and source and application of funds for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

LIABILITIES

CURRENT LIABILITIES:

	<u>1969</u>	<u>1968</u>
Bank Overdraft (secured)	\$ —	\$ 133,600
Bank Loan Installments (secured)	91,300	48,000
Accounts Payable	332,749	628,508
Accrued Interest on Debentures (Note 6)	40,725	—
	<u>464,774</u>	<u>810,108</u>

CUSTOMER'S DEPOSIT ON FUTURE GAS DELIVERY

<u>94,373</u>	<u>—</u>
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DEFERRED LIABILITIES:

Bank Loans, secured by a general assignment under Section 82 of the Bank Act	400,000	749,000
7½ % Convertible Subordinated Sinking Fund Debentures due January 15th, 1989 (Notes 7 and 8)	1,656,000	—
Less Bank Loan Installments due within one year	2,056,000 91,300	749,000 48,000
	<u>1,964,700</u>	<u>701,000</u>

CAPITAL: (Notes 8 and 9)

Authorized — 10,000,000 common shares of no par value		
Issued — 5,298,353 common shares	2,112,823	1,943,827
— (5,164,641 common shares at May 31st, 1968)		

RETAINED EARNINGS	333,052	302,936
	<u>\$4,969,722</u>	<u>\$3,757,871</u>

In our opinion the attached consolidated balance sheet and statements of income, retained earnings and source and application of funds, supplemented by the notes appended thereto, present fairly the financial position of the Company and its subsidiary companies as at May 31st, 1969 and the results of their operations and the source and application of their funds for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Calgary, Alberta,
September 8th, 1969.

CAMPBELL, SHARP, NASH & FIELD
Chartered Accountants.

CONSOLIDATED STATEMENT OF INCOME

for the year ended May 31st, 1969 (with 1968 figures for comparison)

	<u>1969</u>	<u>1968</u>
Net Oil Sales after Royalties	\$135,023	\$147,909
Net Gas Sales after Royalties	360,045	74,309
Royalty Income	279	11
Interest and Discounts Earned	4,993	751
Sundry Revenue	16,816	25,829
Profit on Sale of Fixed Assets	25,534	9,761
Profit on Sale of Petroleum Properties	32,539	3,040
Pipeline Revenue	976	15,435
Profit on Sale of Investments	22,352	—
	<u>598,557</u>	<u>277,045</u>
Less: Well Operating and Field Expenses	159,614	119,262
Administration Expenses (Note 10)	176,560	104,221
Interest and Exchange	58,636	18,341
Debenture Interest (Note 6)	40,725	—
Debenture Costs Amortization (Note 5)	4,871	—
	<u>440,406</u>	<u>241,824</u>
Net Revenues before provision for depreciation and development amortization	<u>158,151</u>	<u>35,221</u>
Less: Provision for Depreciation (Note 2)	72,385	31,642
Provision for Development Amortization (Note 4)	55,650	20,054
	<u>128,035</u>	<u>51,696</u>
Net Income (Loss) for the year	<u>\$ 30,116</u>	<u>(\$ 16,475)</u>

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

for the year ended May 31st, 1969 (with 1968 figures for comparison)

	<u>1969</u>	<u>1968</u>
Balance, June 1st	\$302,936	\$319,411
Net Income (Loss) For The Year	30,116	(16,475)
	<u>\$333,052</u>	<u>\$302,936</u>

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

for the year ended May 31st, 1969 (with 1968 figures for comparison)

FUNDS PROVIDED:

	<u>1969</u>	<u>1968</u>
Net Revenues for the year before providing for depreciation and development amortization	\$ 158,151	\$ 35,221
Customer's Deposit on Future Gas Delivery	94,373	—
Long Term Bank Loans	—	599,000
Issue of 7½ % Convertible Sinking Fund Debentures	1,750,000	—
Issue of Common Shares	168,996	15,000
Sale of Shares in Woodford Oil and Gas Ltd.	5,000	—
Sale of Petroleum and Natural Gas Leases, Options and Interests	36,146	2,364
Sale of Fixed Assets	5,894	5,488
	<u>2,218,560</u>	<u>657,073</u>

FUNDS APPLIED:

Capital Expenditures on Wells	638,984	487,544
Acquisition of Petroleum and Natural Gas Leases, Options, Interests and Mining Properties	113,628	59,478
Acquisition of Fixed Assets	134,699	507,985
Investment in Shares:		
Woodford Oil and Gas Ltd.	—	15,000
H. M. Pan Ocean — Syracuse Oil South Africa (Proprietary) Limited	1	—
Oceanica Petroli Italiana S.p.A.	1	—
Advances to Syracuse Oils Norge A/S	18,840	—
Advances to Woodford Oil and Gas Ltd.	7,855	—
Payments on Long Term Bank Loans	392,300	—
Conversion of 7½ % Sinking Fund Debentures into Common Shares	94,000	—
Debenture Issue Costs	63,293	—
	<u>1,463,601</u>	<u>1,070,007</u>
Increase (Decrease) In Working Capital	<u>\$ 754,959</u>	<u>(\$ 412,934)</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

May 31st, 1969

1. Investment in Other Companies

	1969		1968
	Shares, at Cost	Advances	Shares, at Cost
Syracuse Oils Norge A/S	\$250,000	\$18,840	\$250,000
Woodford Oil and Gas Ltd.	10,000	7,855	15,000
H. M. Pan Ocean — Syracuse Oil South Africa (Proprietary) Limited	1	—	—
Oceanica Petroli Italiana S.p.A.	1	—	—
	<u>\$260,002</u>	<u>\$26,695</u>	<u>\$265,000</u>

Subsequent to the year end the Company sold 200 of its 500 shares of Syracuse Oils Norge A/S for \$161,000. This resulted in a profit on sale of investments of \$61,000 and reduced the Company's interest in Syracuse Oils Norge A/S to 15% of the issued Class B capital stock.

2. Depreciation

Machinery and equipment are depreciated at rates calculated to write off the costs over periods not exceeding the useful life of the assets.

3. Investments in Petroleum and Other Properties

	1969	1968
Productive Wells	\$1,515,579	\$1,156,151
Unproductive Wells	996,996	717,439
Petroleum and Natural Gas Leases, Options and Interests . . .	449,026	382,271
Gross Overriding Royalties	326,977	326,977
Mining Properties	34,702	23,975
	<u>\$3,323,280</u>	<u>\$2,606,813</u>

The gross overriding royalties consist of those existing at the time of amalgamation of Syracuse Oils Limited and Sage Oil Company Limited that were carried on the books at a nominal value of \$19, and those purchased from Letsan Oils Limited for \$105,790. These royalties have been subsequently revalued at \$326,977.

4. Development Amortization

Provision has been made for the amortization of the drilling and development costs of the wells at the rate of fifteen cents per barrel of oil sold and one cent per thousand feet of gas sold.

5. Unamortized Debenture Costs

These costs are being written off over the term of the debenture, with appropriate adjustments for those debentures which are converted or redeemed.

6. Accrued Interest on Debentures

Subsequent to the current fiscal year end, the Company paid \$54,300 interest to the debenture holders and the portion of this payment applicable to the period January 16th, 1969 to May 31st, 1969 has been accrued in the accounts.

7. 7½% Convertible Subordinated Sinking Fund Debentures

These debentures are convertible by the holders into common shares as follows:

- (a) On or before January 15th, 1971 — \$1.75 per share
- (b) From January 16th, 1971 to January 15th, 1976 — \$2.50 per share.
- (c) From January 16th, 1976 to January 15th, 1981 — \$5.00 per share.

These debentures are redeemable by the Company together with accrued interest as follows:

- (a) On or before January 16th, 1970 — 107.5%.
- (b) Thereafter the redemption amount is reduced by 0.5% per year until January 15th, 1984.
- (c) On or after January 16th, 1985 — 100.0%.

Because of elections made under provisions relating to the debenture conversion options the Company will not be required to make sinking fund payments at a date earlier than January 1974.

8. Capital Stock Issued

Under outstanding stock options the Company issued the following shares during the year:

- (a) 20,000 shares to an employee for cash, at \$0.75 per share.
- (b) 20,000 shares to an officer for cash, at \$1.00 per share.
- (c) 40,000 shares to a director for cash, at \$1.00 per share.

Under the terms of the debenture issue, 53,712 shares were issued through the conversion of debentures totalling \$94,000, based on a share value of \$1.75 per share.

9. Unissued Capital Stock

Of the 5,298,353 unissued shares at May 31st, 1969, the following stock options are outstanding:

- (a) At \$0.75 per share, valid until November 1st, 1971, for 60,000 shares to an employee exercisable at ⅓ per year, non-cumulative.
- (b) At \$1.00 per share, valid until November 2nd, 1972, for 80,000 shares to an officer exercisable at ¼ per year, non-cumulative.
- (c) At \$1.00 per share, valid until November 2nd, 1972, for 60,000 shares to a director exercisable at ⅓ per year, non-cumulative.

On July 28th, 1969 the Company entered into an agreement with a group headed by the Jenney Manufacturing Company of Boston, U.S.A. whereby the group agreed to subscribe for 128,928 shares of the common stock of the Company at \$5.50 per share. In addition this group was granted warrants to purchase three shares for each four shares purchased at a price of \$8.50 per share. These warrants have a term of five years. The agreement is subject to the approval of all requisite regulatory bodies.

10. Executive Remuneration

Remuneration paid to directors and officers during the year amounted to \$34,417.

11. Income Taxes

For income tax purposes the Company is entitled to claim drilling, exploration and lease acquisition costs and capital cost allowances in amounts which may exceed the related depletion and depreciation provisions reflected in its accounts, and as a result of claiming excess drilling, exploration and lease acquisition costs for the current fiscal period no income taxes are payable. The Company does not believe that it is appropriate to provide for income taxes deferred as a result of claims for drilling, exploration and lease acquisition costs because, based on a continuous exploration policy, no material amounts of income taxes will be payable in the foreseeable future. While the accounting policy of the Company conforms with general practise in the oil and gas industry and is accepted by accounting authorities outside Canada, it differs from the tax allocation basis of accounting recommended by The Accounting and Auditing Research Committee of The Canadian Institute of Chartered Accountants, effective for fiscal years commencing on or after January 1st, 1968.

FIVE YEAR STATISTICAL RECORD

	1969	1968	1967	1966	1965
FINANCIAL					
Net crude oil sales after royalty	\$ 135,023	147,909	167,356	194,020	204,684
Net natural gas sales after royalty	\$ 360,045	74,309	33,413	34,857	23,792
Sundry income	\$ 22,088	26,591	12,055	14,479	19,981
Profit on sale of fixed assets	\$ 25,534	9,761	15,293	419	6,053
Profit on sale of properties	\$ 32,539	3,040	25,842	12,375	—
Pipeline revenue	\$ 976	15,345	6,299	3,197	—
Profit on sale of investments	\$ 22,352	—	—	—	—
GROSS INCOME	\$ 598,557	277,045	260,258	259,347	254,510
Operating expenses	\$ 159,614	119,262	116,532	121,123	111,191
Administrative expenses	\$ 176,560	104,221	83,934	48,899	33,887
Interest and exchange expenses	\$ 99,361	18,341	9,580	8,468	5,067
CASH FLOW	\$ 158,151	35,221	50,212	80,857	104,365
Depreciation	\$ 72,385	31,642	28,068	31,285	30,170
Development amortization	\$ 55,650	20,054	16,152	18,551	17,307
NET PROFIT (loss)	\$ 30,116	(16,475)	5,992	31,021	56,888
Working capital (deficit)	\$ 306,792	(448,168)	(35,234)	(20,152)	117
Long-term debt	\$ 1,656,000	—	—	—	—
Bank loans	\$ 400,000	749,000	211,000	137,000	128,000
Number of shares outstanding at year-end	5,298,353	5,164,641	5,144,641	4,490,686	3,990,686
Shareholders' equity	\$ 2,445,875	2,246,762	2,248,238	1,928,868	1,647,846
OPERATING					
Oil sales, net after royalty (bbls)	53,169	55,651	63,684	74,138	77,037
Average oil price (\$/bbl)	2.54	2.66	2.63	2.62	2.66
Gas sales, net after royalty (Mcf)	3,995,564	866,805	398,571	500,269	313,763
Average gas price (¢/Mcf)	9.01	8.57	8.38	6.97	7.58
Oil reserves, net after royalty (bbls)	1,934,000	777,800	386,600	426,100	450,400
Gas reserves, net after royalty (MMcf)	59,500	48,900	41,300	41,500	40,000
Gross working interest lands (acres)	66,324,678*	7,855,042*	752,873*	668,037*	105,820
Net working interest lands (acres)	10,217,206*	917,031*	177,818*	173,456*	57,684
Gross royalty interest lands (acres)	1,365,547	1,415,467	1,520,426	9,840	9,840
Net royalty interest lands (acres)	129,533	133,249	140,953	970	970
Gross oil wells	39	37	38	36	34
Net oil wells	22.20	20.09	22.61	24.36	25.37
Gross gas wells	46	35	26	25	16
Net gas wells	26.82	12.09	15.51	15.47	13.17
Number of employees	17	11	7	6	6
EXPLORATION					
Drilling and land acquisition expenditures	\$ 716,466	544,658	155,985	110,674	116,363
Exploratory wells drilled (gross)	13	8	3	6	8
Exploratory oil wells completed (gross)	1	0	0	0	0
Exploratory gas wells completed (gross)	5	0	1	6	2
Exploratory wells drilled (net)	4.13	1.70	0.75	1.77	1.75
Exploratory oil wells completed (net)	0.25	0	0	0	0
Exploratory gas wells completed (net)	2.00	0	0.25	1.77	0.63
Development wells drilled (gross)	10	11	1	11	0
Development oil wells completed (gross)	3	3	0	2	0
Development gas wells completed (gross)	4	6	1	3	0
Development wells drilled (net)	5.50	9.43	0.13	1.71	0
Development oil wells completed (net)	1.69	1.43	0	0.25	0
Development gas wells completed (net)	2.38	6.00	0.13	0.38	0

* Includes Company's interest in acreage owned by affiliated companies.

SYRACUSE OILS LIMITED AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET

AS AT AUGUST 31, 1969

CURRENT ASSETS

Cash in Banks	\$ 279,582.27
Accounts Receivable	663,638.86
Inventory of Oil	7,182.23
Inventory of Field Equipment	43,103.34
Prepaid Expenses	16,047.92
Deposits	134,628.21
	<hr/>
	1,144,182.83

INVESTMENTS IN OTHER COMPANIES

Syracuse Oils Norge A/S	249,793.12
Woodford Oil & Gas Ltd.	27,855.00
H. M. Pan Ocean Syracuse Oils S.A. (PTY.)	6,494.13
Oceanica Petroli Italiana S.P.A.	1.00
Walvis Bay Oil and Gas Ltd.	1.00
	<hr/>
	284,144.25

FIXED ASSETS

Real Estate, Machinery & Equipment At Cost	1,167,173.61
Less Accumulated Depreciation	443,411.72
	<hr/>
	723,761.89

INVESTMENTS IN PETROLEUM AND OTHER PROPERTIES — AT COST

Less Accumulated Amortization	3,454,864.00
	218,597.94

UNAMORTIZED DEBENTURE COSTS

3,236,266.06
53,090.99

\$5,441,446.02

CURRENT LIABILITIES

Bank Loan Installments (Secured)	\$ 99,600.00
Accounts Payable	113,293.86
	<hr/>
	212,893.86

DEFERRED LIABILITIES

Bank Loans, Secured by General Assignment Under Section 82 of the Bank Act	283,800.00
7½ % Convertible Subordinated Sinking Fund Debentures Due January 15, 1969	1,407,000.00
Customers' Deposits on Future Gas Delivery	94,373.19
	<hr/>
	1,785,173.19

CAPITAL

Authorized—10,000,000 Common Shares of no Par Value	
Issued—5,440,634 Common Shares	3,070,918.76

RETAINED EARNINGS

372,460.21

\$5,441,446.02

APPROVED BY:

“J. RICHARD HARRIS”, Director

“JAMES S. PALMER”, Director

FOR THE THREE MONTHS ENDED AUGUST 31, 1969

Net Oil Sales After Royalties	....	..	....	....	....	....	....	\$ 34,194.76
Net Gas Sales After Royalties	....	....	....	....	....	....	....	92,696.81
Pipeline Revenue	....	....	....	....	....	....	....	1,114.90
Profit on Sale of Investments	....	....	....	....	....	....	....	61,000.00
Sundry Revenue	....	....	....	....	....	....	....	7,498.83
Profit on Sale of Used Equipment	..	....	....	....	....	....	....	2,275.95
								198,781.25
LESS: Well Operating And Field Expenses	..	....	....	....	....	....	....	50,573.65
Administration Expense	....	..	....	....	....	....	....	40,837.87
Interest and Exchange	..	....	....	....	....	..	....	23,674.02
Debenture Costs Amortized	....		....	....	..	....	....	10,201.91
								125,287.45
Net Revenue Before Provision For Depreciation and Development Amortization	....	....						73,493.80
LESS: Provision for Depreciation	....	....	..	....	....	....	....	20,318.36
Provision for Development Amortization	....		....	....	....	....	....	13,751.82
NET PROFIT FOR THE PERIOD								\$ 39,423.62



SYRACUSE OILS LIMITED
LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST								
Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum Natural Gas Reservations & Permits, Acres	Mineral Titles, Acres
7,680				37.5	2,880			
1,280				50	640			
3,520				37.5	1,320			
3,200				50	1,600			
5,760				12.5	720			
5,760				12.5	720			
640				18.75	120			
4,160				12.5	520			
4,480				18.75	840			
3,200				12.5	400			
9,440				12.5	1,180			
9,280				12.5	1,160			
5,120				12.5	640			
3,040				12.5	380			
2,560				18.75	480			

Calling Lake (Cont'd)

All Secs. 2, 4, 5, S.½ and NW.¼ Sec. 11, S.½ and NW.¼ Sec. 16, All Secs. 17, 26, 28, N.½ and SW.¼ Sec. 29, S.½ and NW.¼ Sec. 30, All 31, 32, 33, Twp. 67, Rge. 20 W 4M

All Secs. 8 and 9, Twp. 67, Rge. 20 W 4M

N.½ and SW.¼ Sec. 26, N.½ and SW.¼ Sec. 27, All Sec. 29, E.½ Sec. 30, All Secs. 31, 32, S.½ Sec. 34, Twp. 67, Rge. 21 W 4M

All Secs. 10, 11, S.½ Sec. 12, All Sec. 13, E.½ Sec. 14, All Sec. 15, Twp. 67, Rge. 21 W 4M

All Secs. 9, 10, 11, 14, 15, 16, 21, 22 and 23, Twp. 67, Rge. 23 W 4M

All Secs. 8, 20, 21, 28, 29, 30, 31, 32 and 33, Twp. 68, Rge. 21 W 4M

All Sec. 19, Twp. 68, Rge. 21 W 4M

N.½ Sec. 4, All Secs. 9, 16, 27, 29, 32 and 34, Twp. 68, Rge. 22 W 4M

N.½ Sec. 2, N.½ Sec. 3, All Secs. 11, 14, 15, 26, 35 and 36, Twp. 68, Rge. 12 W 4M

All Secs. 1, 2, 11, 13 and 14, Twp. 68, Rge. 23 W 4M

All Secs. 9, 13, 14, 16, 17, 20, 21, 25, 26, 27, 30, N.½ and SE.¼ Sec. 31, All Secs. 34, 35 and 36, Twp. 69 Rge. 21 W. 4M

All Secs. 9, 10, 11, 12, 13, 14, 15, 16, 21, 23, 24, 25, 26, 27, E.½ Sec. 28, Twp. 69, Rge. 22 W 4M

All Secs. 26, 27, 28, 29, 32, 33, 34 and 35, Twp. 69, Rge. 23 W 4M

N.½ and SW.¼ Sec. 20, All Secs. 21, 29, 32, 33, Twp. 70, Rge. 22 W 4

SE.¼ Sec. 20, All Secs. 22, 25, 27, S.½ and NW.¼ Sec. 34, Twp. 70, Rge. 22, W 4M

SYRACUSE OILS LIMITED
LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST								
Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum Natural Gas Reservations & Permits, Acres	Mineral Titles, Acres
Calling Lake (Cont'd)								
5,760 160				12.5	720			
				12.5	20			
3,680				12.5	460			
6,560 800				12.5 12.5	820 100			
320 160 320 480 160				50 50 50 12.5 12.5	160 80 160 20 60			
160 160 160				50 50 50	80 80 80			
320				50	160			
Cardston								
SW.¼ Sec. 32, Twp. 1, Rge. 25 W 4M					80			
SW.¼ Sec. 24, Twp. 3, Rge. 25 W 4M					80			
SE.¼ Sec. 12, Twp. 4, Rge. 25 W 4M					80			
Pincher Creek								
E.½ Sec. 16, Twp. 4, Rge. 28 W 4M				50	160			
Claresholm								
NE.¼ Sec. 21,, Twp. 9, Rge. 28 W 4M				50	80			
SE.¼ Sec. 6, Twp. 14, Rge. 28 W 4				50	80			

Calling Lake (Cont'd)
All Secs. 2, 4, 5, 15, 16, 17, 20, 28 and 29, Twp. 70, Rge. 23 W 4M
SE.¼ Sec. 19, Twp. 71, Rge. 23 W 4
All Secs. 15, 16, 21, W.½ and SE.¼ Sec. 22, W.½ Sec. 27, All Sec. 28, SE.¼ Sec. 33, SW.¼ Sec. 34, Twp. 71, Rge. 24 W 4M
All Secs. 16, 17, N.½ and SE.¼ Sec. 18, All Secs. 19, 20, 21, SW.¼ Sec. 23, All Sec. 28, N.½ and SE.¼ Sec. 29, All Secs. 30, 34 and N.½ Sec. 35, Twp. 72, Rge. 23 W 4M
NW.¼ Sec. 3, All Sec. 10, Twp. 72, Rge. 24 W 4M

Keystone Pembina
E.½ Sec. 9, Twp. 48, Rge. 4 W 5M
NE.¼ Sec. 10, Twp. 48, Rge. 4 W 5M
W.½ Sec. 7, Twp. 48, Rge. 4 W 5M
S.½ and NW.¼ Sec. 8, Twp. 48, Rge. 5 W 5M
NW.¼ Sec. 24, Twp. 50, Rge. 11 W 5M

Cardston
SW.¼ Sec. 32, Twp. 1, Rge. 25 W 4M
SW.¼ Sec. 24, Twp. 3, Rge. 25 W 4M
SE.¼ Sec. 12, Twp. 4, Rge. 25 W 4M

Pincher Creek
E.½ Sec. 16, Twp. 4, Rge. 28 W 4M

Claresholm
NE.¼ Sec. 21,, Twp. 9, Rge. 28 W 4M
SE.¼ Sec. 6, Twp. 14, Rge. 28 W 4

SYRACUSE OILS LIMITED
LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST									
	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum Natural Gas Reservations & Permits, Acres	Mineral Titles, Acres
Ricinus									
NW.¼ Sec. 31, Twp. 32, Rge. 7 W 5M	159				50	80			
NW.¼ Sec. 31, Twp. 27, Rge. 7 W 5M	160				50	80			
Lesser Slave Lake									
NW.¼ Sec. 22, 1wp. 75, Rge. 13 W 5M	160				50	80			
NW.¼ Sec. 23, Twp. 75 Rge. 13 W 5M	160				50	80			
Obed									
NE.¼ Sec. 3, Twp. 55, Rge. 22 W 5M	161				50	80			
NE.¼ Sec. 22, Twp. 56, Rge. 22 W 5M	160				50	80			
Paddle River									
NE.¼ Sec. 20, Twp. 56, Rge. 11 W 5M	160				50	80			
Thunder Lake									
NE.¼ Sec. 9, Twp. 59, Rge. 5 W 5M	161				50	80			
Magliore									
NW.¼ Sec. 25, NE.¼ Sec. 26, All Sec. 36, Twp. 80, Rge. 21 W 5M	960				35	336			
Little Cadotte									
S.½ Sec. 21, Twp. 84, Rge. 17 W 5M	320				35	112			
Baver River									
Secs. 1, 12 and S.½ Sec. 13, Twp. 104, Rge. 23 W 5M	1,600				100	1,600			
Steen River									
Secs. 3, 4, NE.¼ Sec. 5, Secs. 8, 9 and S.½ Sec. 10, Twp. 116, Rge. 11 W 5M	3,040				10	304			
Mineral Titles									
Turner Valley									
N.½ Sec. 24, N.½ and SE.¼ Sec. 25, Twp. 21, Rge. 3 W 5M			800		5				40

SCHEDULE "A"

SYRACUSE OILS LIMITED
LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST									
	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum Natural Gas Reservations & Permits, Acres	Mineral Titles, Acres
Leduc			320		43.75				140
W.½ Sec. 15, Twp. 48, Rge. 26 W 4M									
Gull Lake			160		25				40
SW.¼ Sec. 21, Twp. 41, Rge. 1 W 5M									
SASKATCHEWAN									
Verlo									
SE.¼ Sec. 16, Twp. 16, Rge. 20 W 3M	160				100	160			
NW.¼ Sec. 16, Twp. 16, Rge 20 W 3M	160				50	80			
NE.¼ Sec. 17, and SE.¼ Sec. 20, Twp. 16, Rge. 20 W 3M	320				50	160			
ARCTIC ISLANDS									
Banks Island									
Permits #A 4632 to A 4641 inclusive				501,851	40			200,740	
McClure Strait									
Permits # A 4737, A 4738, A 4739, A 4642				275,812	40			110,325	
Greely Fiord									
Permits A 4643 to A 4646 inclusive				89,835	40			35,934	
Prince of Wales									
Permits A 5172 to A 5180 inclusive				500,760	30			150,228	
HUDSON BAY									
Foxe Basin									
Permits A 3466 to A 3474 inclusive				427,608	35			149,663	
Hudson Bay									
Permits W 5238 to W 5248 inclusive				693,712	40			277,485	

SYRACUSE OILS LIMITED
LIST OF PROPERTIES AS AT OCTOBER 14, 1969

COMPANY NET WORKING INTEREST								
Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Mineral Titles, Acres	Petroleum & Natural Gas Reservations & Permits, Acres	Company Interest %	Petroleum & Natural Gas Leases, Acres	Natural Gas Leases, Acres	Petroleum Natural Gas Reservations & Permits, Acres	Mineral Titles, Acres
EAST COAST <u>Anticosti Island</u> Permits W 5249, W 5250 and W 5251 <u>East Grand Banks</u> Permits W 5976 to W 5985 inclusive Hudson Strait Permits W 6004 to W 6012 inclusive FOREIGN <u>Norway</u> North Sea Blocks 11-7 and 11-10 Netherlands North Sea Block Q11 <u>Italy</u> Adriatic Permits d 95ABR-OP and d 96BR-OP South Africa <u>Onshore</u> —Port Elizabeth (Licence OP-13) North Karroo (Licence SP-1) Offshore—Concession Cb South West Africa Offshore Blocks 8A and 8B Maldiv Islands <u>Indian Ocean</u> Indonesia <u>Offshore</u> —East of Sumatra Offshore—West of Sumatra			150,092	40			60,037	
			747,397	35			261,589	
			491,026	35			171,859	
			276,685	15			41,503	
			40,064	6.5			2,604	
			35,150	10			3,515	
			6,890,240 25,964,800 2,624,000	7.5 20 8.5			516,768 5,192,960 223,040	
			514,560	4.4119			22,702	
			25,600,000	5			1,280,000	
			17,111,952 11,675,664	12.5 12.5			2,138,994 1,459,458	

SCHEDULE "A"

SYRACUSE OILS LIMITED

LIST OF OVERRIDING ROYALTIES HELD AT OCTOBER 14, 1969

GROSS OVERRIDING ROYALTIES*	Total Natural Gas Leases	Total P&NG Leases	Total Reservations Permits	Company Gross Overriding Royalty Percent
<u>Ashmont</u>				
<u>Twp. 60, Rge. 11 W 4M</u>	10,720			1.25
<u>Charlotte Lake</u>				
<u>Twp. 60, Rge. 4 W 4M</u>		5,760		1.25
<u>Peers</u>				
<u>Twps. 53 and 54, Rges. 12 and 13 W 5M</u>		2,240		2.5
<u>Caribou Mountain</u>				
<u>Twp. 117, Rges. 14, 15 and 16 W 5M</u>		23,440		2.5
<u>Twps. 114, 115 and 116, Rges. 16, 17 and 18 W 5M</u>		48,640		2.016
<u>Ricinus</u>				
<u>SW.¼ Sec. 33, Twp. 33, Rge. 7 W 5M</u>		160		1.25
<u>Acheson</u>				
<u>SW.¼ Sec. 29, Twp. 54, Rge. 25 W 4M</u>		160		1.25
<u>Loon Lake</u>				
<u>Twp. 86, Rge. 9 W 5M</u>		7,360		1.363
<u>Berland River</u>				
<u>Twp. 60, Rges. 23, 24 and 25 W 5M</u>		9,440		0.05
<u>Lawrence Lake</u>				
<u>Twp. 69, Rge. 25 W 4M</u>		4,960		1.702
<u>Lac La Biche</u>				
<u>Twps. 68 and 69, Rges. 16, 17, 18 and 19 W 4M</u>		48,320		1.022
<u>Three Hills Creek</u>				
<u>N.½ Sec. 27, Twp. 35, Rge. 26 W 4M</u>	320			0.75
<u>Namur Lake</u>				
<u>Twps. 95, 96 and 97, Rges. 15 and 16 W 4M</u>		49,920		3.225
<u>Twps. 98, 99 and 100, Rges. 17 and 18 W 4M</u>		49,440		1.125
<u>Birch River</u>				
<u>Twps. 103 and 104, Rges. 17, 18 and 19 W 4M</u>		49,920		2.419
<u>Mikkwa River</u>				
<u>Twps. 98 and 99, Rge. 25 W 4M and Rges. 1 and 2 W 5M</u>			98,570	1.234
<u>Loon River</u>				
<u>Twp. 91, Rge. 6 W 5M</u>		5,760		1.703
<u>Twps. 92 and 93, Rges. 6 and 7 W 5M</u>		13,440		1.703
<u>Twps. 89, 90 and 91, Rges. 8, 9 and 10 W 5</u>		49,440		1.363
<u>Tall Creek</u>				
<u>Twps. 102, 103 and 104, Rges. 6, 7 and 8 W 5M</u>		22,080		1.703
<u>Twps. 100 and 101, Rges. 11, 12 and 13 W 5M</u>		49,600		1.363
<u>Twps. 98, 99, 100 and 101, Rges. 13 and 14 W 5M</u>		40,000		1.50
<u>Bushe River</u>				
<u>Twps. 110 and 111, Rges. 15, 16 and 17 W 5M</u>		49,920		1.703
<u>Grand View, Northwest Territories</u>				
<u>67° N., 131.00° W. to 131.30° W.</u>			150,786	0.20
	11,040	530,000	249,356	

*All in Alberta except Grand View

SYRACUSE OILS LIMITED
SUMMARY OF ROYALTIES PAYABLE ON PRODUCING PROPERTIES
ALBERTA, CANADA

A. Oil Wells

<u>Name of Well, Unit or Battery</u>	<u>Location</u>	<u>Amount of Royalty and Payee</u>
Royalite Dev. - Pal Acheson	12-14-52-26W4	5% — Rec. Gen. of Canada; 3% — Gulf
Wilson Sage Garrington	10-3-32-2W5	8% to 15% — Shell (50%) and Can. Superior (50%) + 12½% — Can. Sup
	10-9-32-2W5	8% to 15% — Shell (50%) and Can. Superior (50%) + 12½% — Can. Sup
	4-10-32-2W5	8% to 15% — Shell (50%) and Can. Superior (50%) + 8% to 16⅔% — Crown
	4-11-32-2W5	8% to 15% — Shell (50%) and Can. Superior (50%) + 8% to 16⅔% — Crown
Continental Leduc #4 Battery	15-31-49-26W4	12½% — Guaranty Trust
Sage Leduc Battery #1	6-21-49-25W4	12.5% — A. Balzer; 7.5% — Imperial
	10-21-49-25W4	12.5% — A. Knie
	13-21-49-25W4	12.5% — Toronto Gen. Trust; 7.5% — Imperial
Sage Leduc Battery #3	1-23-49-26W4	12.5% — M. Lorentz; 3% — Imperial
Marjack Battery #1	4-31-49-26W4	10% — J. Engberg
Leduc Woodbend D-2 Unit	4-2-50-26W4	8% to 16⅔% — Crown
	3-3-50-26W4	10% — Imperial; 12½% — C.P.R. (50%) and Imperial (50%)
	10-13-50-27W4	12½% — A. Dziura
Syracuse Springburn	14-24-80-17W5	8% to 16⅔% — Crown; 7.5% — Imperial (50%) and Shell (50%)
Syracuse Reno	16-25-80-17W5	8% to 16⅔% — Crown; 7½% — Shell
Murphy Leduc 11-13 Battery	5-13-50-27W4	5% — Imperial; 12½% — E. Moberg
	6-13-50-27W4	12.5% — E. Moberg
	11-13-50-27W4	12.5% — Imperial
	12-13-50-27W4	12.5% — Imperial
	14-13-50-27W4	12.5% — Imperial

SYRACUSE OILS LIMITED
SUMMARY OF ROYALTIES PAYABLE ON PRODUCING PROPERTIES
ALBERTA, CANADA

<u>Name of Well, Unit or Battery</u>	<u>Location</u>	<u>Amount of Royalty and Payee</u>
B.A. Bablitz Battery	11-1-50-27W4	12½ % — Estate of F. Bablitz; 2½ % — L. Plotkins
BDNL et al Pembina	14-23-50-11W5	12½ % — Mission Oil Development; 8 % to 16⅔ % — Crown
Carnwood Cardium Unit	6-8-48-5W5	17½ % — Hudson Bay
	8-8-48-5W5	18.7 % — Hudson Bay
	14-8-48-5W5	17½ % — Hudson Bay
Duncan Syracuse Chigwell	1-13-41-25W4	12½ % — I. Smith; 5 % — Chevron; 5 % to 15 % — Banff et al; 2 % — Summit
Duncan Syracuse HBOG Chigwell	4-8-41-24W4	12½ % — Hudson Bay; 2 % — Summit
Duncan Syracuse Clive	11-5-41-24W4	5 % to 15 % — Gulf; 12½ % — C.P.O.G.; 2½ % — Leduc; 2 % — Summit
Syracuse et al Clive	14-3-40-24W4	12½ % — Mrs. C. Hecht; 5 % to 15 % — Sun; 6¼ % — Amoco
Quixote et al Hamilton	9-15-35-9W4	8 % to 16⅔ % — Crown; 5 % to 15 % — Apache
Syracuse et al Provost	7-11-35-9W4	8 % to 16⅔ % — Crown; 5 % to 15 % — Apache
	11-11-35-9W4	8 % to 16⅔ % — Crown; 5 % to 15 % — Apache
B. Gas Wells		
Syracuse Ashmont	13-3-60-11W4	16⅔ % — Crown
Syracuse Petrol Ashmont	2-4-60-11W4	16⅔ % — Crown
Syracuse Beartrap	12-27-60-4W4	16⅔ % — Crown
Lac La Biche Owl River System	67-69; 13-14W4	16⅔ % — Crown
Lac La Biche Town System	67-13W4	16⅔ % — Crown; 0.05 % — Snowden Church; 0.005 % — Wm. Dumas
Imp. N.D. Leduc	3-12-50-27W4	16⅔ % — Crown
Syracuse Winnifred Group Battery	6-20-11-10W4	16⅔ % — Crown
Texaco Holburn	10-33-50-1W5	16⅔ % of 8.3593 % — Crown; 12½ % of 91.6306 % — C.P.O.G.
Syracuse N.D. Huggett	15-26-50-1W5	16⅔ % — Crown; 6¼ % — Central Del Rio

SCHEDULE "C"

Principal business of Officers and Directors for past 5 years:

J. Richard Harris	President and General Manager of the Company since amalgamation, and prior to which he was Vice-President in charge of Canadian Operations for McCary, Harris and Clinton Inc.
Arthur Pollard	Vice-President of the Company; is a semi-retired independent refinery construction engineer.
James S. Palmer	Secretary-Treasurer of the Company; is a partner in the firm of Burnet, Duckworth, Palmer, Tomblin, O'Donoghue, Beattie and Haigh, Barristers and Solicitors.
Geoffrey Kohn	Stockbroker with Miller and Kendrick, Rutland House, Edmunds, Birmingham 3, England.
Angus A. Mackenzie	President of Sunningdale Oils Limited. Prior to that President of Saratoga Minerals Ltd. from 1966 to 1969, and prior to that President of Syracuse Oils Limited 1964-1966.
Thatcher L. Townsend, Jr.	Vice-President of Wachovia Bank and Trust Company N.A., Winston-Salem, North Carolina.

